

## BENCHMARKING-METHOD OF PERFORMANCE EVALUATION IN PUBLIC ADMINISTRATION

### **Abstract**

Creating a healthy Public Administration, well structured and effective, constitutes a balance and stability factor, the essential elements in strengthening the state of law, in promoting the principles and guidelines to ensure the progress and prosperity in all economic and social sectors. Creating a modern and efficient system for the Public Administration, although it was considered a priority for the governments of Romania, however, numerous cases have braked the real reform application in the administration : the absence of appropriate reform strategy; the continuing financial constraints , the insufficient training and experience of the politicians and of the civil servants in order to meet thne needs and demans of the reform; the utilisation of the too old regulations on administrative structures, personnel, functions and pays cales, and , at last but not least, the government focus on the economic reform issues disregarding that they can not be solved without reforming the Public Administration.

Benchmarking represents a comparative method of analysis which is used in order to evaluate products, services, proceses, practices and performance of an organization.

**Keywords:** benchmarking, calibration, process, Public Administration

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## BENCHMARKINGUL- METODĂ DE EVALUARE A PERFORMANȚELOR ÎN ADMINISTRAȚIA PUBLICĂ

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### **Rezumat**

Crearea unei administratii publice sanatoase, bine structurate si eficace constitute un factor de echilibru si stabilitate, elemente esentiale in consolidarea statului de drept, in promovarea principiilor si orientarilor care sa asigure progresul si prosperitatea in toate sectoarele de activitate economico-sociale. Crearea unui sistem modern si eficient de administratie publica, desi a fost considerata o prioritate pentru guvernele Romaniei, totusi numeroase cauze au franat aplicarea reformei reale in administratie: absenta unei strategii adecvate de reforma; constrangeri financiare permanente insuficienta pregatire si experienta politicianilor si a functionarilor publici pentru a raspunde cerintelor si exigentelor reformei; ulilizarea prea mult timp a vechilor reglementari privind structurile administrative, personalul, functiile si grilele de salarizare si, nu in ultimul rand, concentrarea activitatii guvernului asupra problemelor reformei economice fara sa tina seama ca acestea nu pot fi solutionate fara reforma administratiei publice.. Benchmarking-ul reprezinta o metoda de analiza comparativa utilizata in scopul evaluarii produselor, serviciilor, proceselor, practicilor si performantelor unei organizatii.

**Cuvinte cheie:** benchmarking, etalonare ,process, administratie publica



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## 1 EFFICIENT PERFORMANCE EVALUATION METHODS FOR BENCHMARKING OR CALIBRATION TYPE IN ROMANIAN PUBLIC ADMINISTRATION

In any competitive economy, continuous reduction of costs and improving quality are essential for an organization to remain in business. Competitiveness is measured by three dimensions: quality, price and delivery time. As quality improves, the costs are decreasing, and satisfying the customer in terms of quality and price will be held in the organization still the activity. Improving the quality of the public services in the broadest sense has become an important feature of administrative reforms. This was intended to become legitimate and the approved changes to be made in the interest of all.

Private administration and its management practices are considered to be superior to Public Administration. They have many features including the introduction of commercial relationships, removing bureaucratic cultures and establishment of rational service specifications shown both in the responsibility of employers and employees.

Improving the quality and performance of the organization requires to pay attention to consumer demands. Continuous quality improvement process must be driven by the customer. All this requires improved communication between various functional departments of the organization, employee involvement and participation. Improving the quality was considered justified and a result of radical organizational changes. Throughout Public Administration must be created new relationships with a variety of suppliers and services (including private sector) which must have an incentive to compete for supply contracts and performance. In Public Administration were held a variety of approaches to support the quality of its reorganization plan. Effectiveness and efficiency is improved when using modern methods in organization and management of Public Administration, while increasing the involvement of civil servants when responsibilities are transferred to lower levels of administration, with the determination of the responsibilities of each level and the procedures for carrying out activities and meeting the targets. The implementation of measures requires a scientific approach to structures and processes that take place within local and central Public Administration, use of modern methods of management and execution of administrative processes. Performance of any organization depends to a great extent to the quality of management, methods and techniques used to exercise the functions. In consequence, the increase of the performance of public organizations involve the reconsideration and the renewal of methods and techniques of the management which are used at all of the executive levels in the organizational echelons. In literature there are numerous methods and management techniques, used mainly for the exercise of the management functions. In this article, we have proposed, if it

possible and necessary, that a comprehensive approach to multiple and varied methods and techniques could be applied in the management of public organizations. Considering the many existing management methods in the literature, we will only continue on the latest and most useful method of evaluation: benchmarking or calibration to raise effectiveness and efficiency of public administration activities in Romanian.. Calibration and benchmarking has been defined as a "process:-systematic, continuous comparison: performance of organizations, functions, processes of economic, political or sectors of a business with: performance "the best in the world", always aiming to overcome .... (this performance) " or has been defined as "... a continuous process considerations, so workflows are constantly monitored and compared to those of actors in world leaders to get information that helps determine steps to improve their workflow" .

Cambridge Dictionary defines benchmarking as "a mark on something that looks like a poster, form a point for measuring things after him." Common elements of most definitions include a comparison with the best use of quantitative indicators calibration conceptualization as a process of study that goes beyond comparison and aims to understand the processes outlined, leading to performance. Kastrinos (2001) points out that: calibration has been used by craftsmen, who had to apply tacit knowledge and skills fair trial, how the calibration was characteristic of particular communities, which shared the same problem of developing a type of tacit knowledge . While standardization is a practice of the companies, it has become a common practice in other institutions and processes. In recent years, this practice was extended to cover public institutions and more recently even in public administration policies.[1]

Calibration can be accomplished in several ways. May include products and services, processes, methods, structures and other institutions. It can be done internally or externally, in cooperation or through competitive ways (the ways of cooperation, information exchange between institutions of primary, which compares each). These different objects and settings require different choices of indicators and pocesului calibration steps.

Despite this variety, in each case, the calibration process generally involves:

### **1.1. Planning stage, including:**

- Identify the object to be calibrated - the calibration team formation
- Defining performance measurement
- Identify objects to be compared
- Identify information sources

**1.2. Analysis phase include:**

- Development and interpretation of data
- Identify the lack of performance
- Analysis of potential reasons behind the lack of performance

**1.3. Phase of action includes:**

- reporting
- Adjust goals and strategies
- Develop plan / policy action

**1.4. Phase control and review includes:**

- Verifying the implementation of plans / policy action
- Identify deviations in feed-back phase of planning new

Designing a typical calibration process is provided in Figure 1. O'Reagan and Keegan suggested to apply the same calibration procedures on an analysis of system performance and innovation policies, such as selecting areas for improvement, identifying the best practices in these areas, develop the set of indicators (benchmarking) to position process analyzed in front of the best practices study of best practice processes in detail, especially considering the conditions under which best practice is achieved and the determination (derivation) with appropriate recommendations on the framework conditions of the best practice. These recommendations should be used as input to dialogue with the actors concerned.[2]

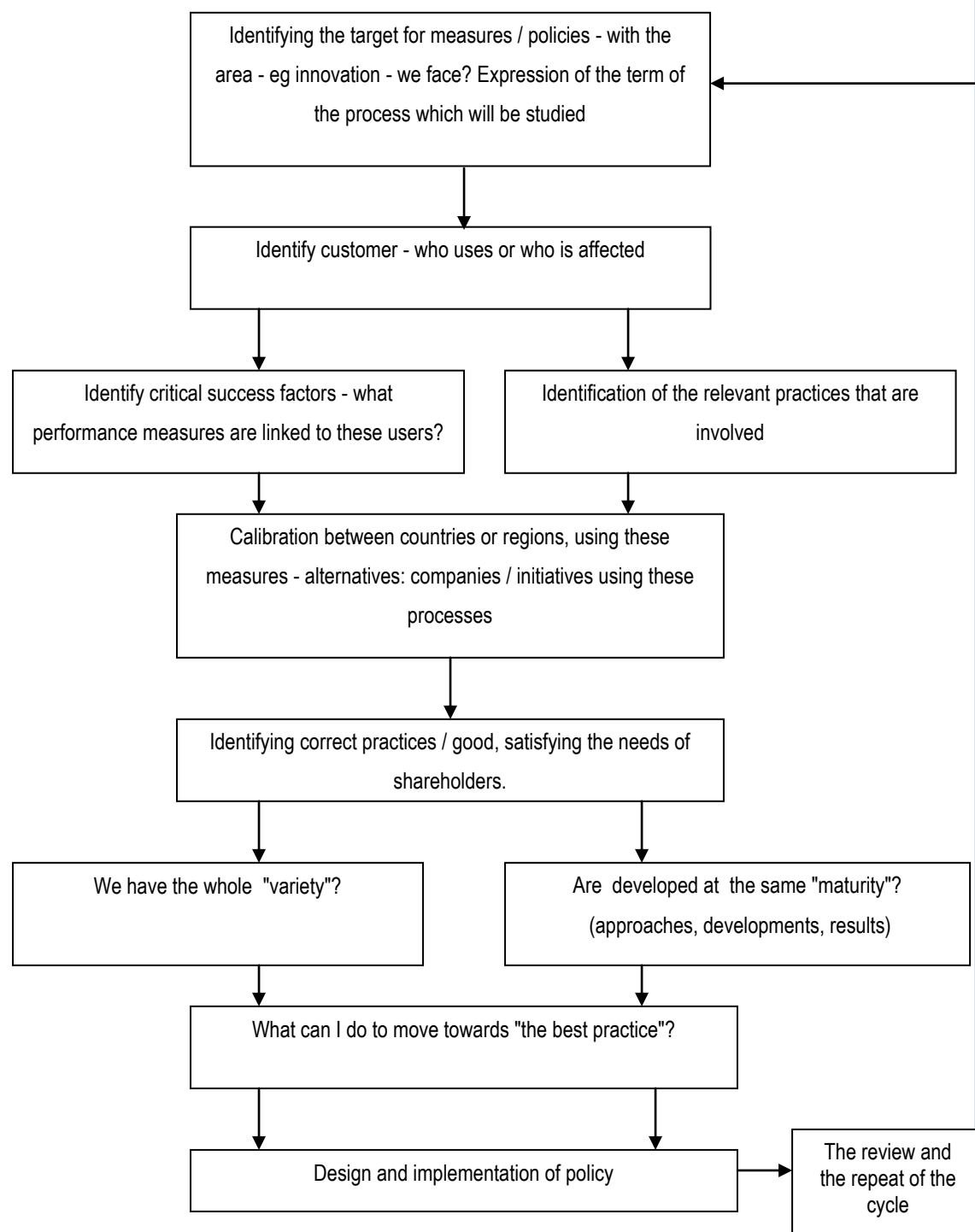


FIGURE 1 -TYPICAL STEPS OF THE CALIBRATION PROCESS:

Calibration practice comes from the production companies. Gradually expanded to other institutions, eg public authorities in the context of "new public management approaches" - (see eg OECD Committee on Public Management activities - PUMA). Since the inception of the calibration and performance characteristics to define more acute public institutions, eg the number of customers, customer satisfaction and other calibration has spread to cover the final policies and institutions. Currently, the number of policy initiatives calibration can be found at EU level (see in particular [site-in-europe.com](http://site-in-europe.com) [www.benchmarking.com](http://www.benchmarking.com) for exposure across the various initiatives of the Commission, as well as a presentation of initiatives at various states levels).

In science and technology policy, this latest development is the Lisbon European Council on 23-24 March 2000. Heads of State and Governments have called this development "a new method of policy coordination RTD", policies, which included establish "quantitative and qualitative indicators fit and calibration to the best policies in the world, and then calibrating fixed on the needs of different Member States and sectors as a means of comparing best practices." While comparisons of individual performance in science and technology have already been taken in the past, this was the first time when a calibration exercise was carried out at EU RTD policy. „Subsequently, the Commission together with Member States has taken steps to develop indicators and methodology that seeks to "establish a calibration exercise that needs regular basis for agents in RTD policies (policy makers, industry groups, academic groups, interest groups etc.). [3]

In the first phase of the process, the applicability of the calibration approach in science and technology policy, was a difficult issue discussed in all interest groups and stakeholders involved. There are in fact limits of the application of calibration in politics in general, and policies for science and technology in particular. These "fundamental reasons due to which" international benchmarking is linked to policy design, "are sometimes dubious and always difficult", they include: Politics, which must take into account the number of objectives. No single indicator can be aggregated and used to cover more purposes.

The relationship between policy intervention and changes in results is not easily established nor understood. This is true in political science and technological policy, which was highlighted by descriptions of the purpose and limits of various methods in this volume.

- Effects of policy - where they can be easily determined with a high degree of contextual dependence normally there is no way of designing a successful policy. Also, what works in the context of innovation system does not work in other systems. Examples of such traps can be

determined (derived) from the lessons of other policies in the field (eg, in an attempt to emulate the type of the U.S. labor market flexibility in some European countries).

Compared with calibration in all policies, multi-level calibration seems more appropriate. Ex: International comparison of performance scientific discipline publications, scientific awards, etc., international comparison of infrastructure: science and technology university equipment, multiple research facilities, science parks were often implemented and not without difficulty, being able to produce recommendations successful (see next section). For most initiatives, scientific and technological policy is too early to judge, that exercise was more rational to be labeled as the best example of the practice. The main reason is the discrepancy feed-back for these initiatives and only calibration processes that have successfully implemented the findings can be considered successful. Meanwhile, no trial does not seem feasible for calibration processes in science and technology policies and overall in terms of conceptualizing and establishing the calibration process, and substantial results in terms of analytical phases, some examples can already be presented.

Recently, a calibration was done in the public-science relations with the following characteristics listed in Table 1[4]

TABLE 1 - CALIBRATION APPROACH IN THE PUBLIC-SCIENCE RELATIONS

a.	<b>A combination of policy decision-makers from several countries, in:</b>
	European Commission chief experts and experts from different countries
	representing part of communities to start
	already in the state definition of exercise goals
	and involved national experts through the process.
b.	Although the process involved in a series of extensive data,
	<i>taken of internationally comparable data as at that level,</i>
	was not an indicator of control. Moreover, gathered some information
	and the qualitative information about the processes and policies of participating countries
	and was involved folosirea.diversității systems.
c.	No prescription policy of a particular type has not been presented,
	but soon they found examples of practice.
	Such examples can be found in countries
	without fair performance indicators for public administration-science relationship.

Creating a healthy public administration well structured and effectively constitutes a factor of balance and stability, essential elements in strengthening the rule of law in promoting the principles and guidelines to ensure progress and prosperity in all economic and social sectors. Creating a modern and efficient public administration, although it was considered a priority for the governments of Romania, however, numerous cases have braked real reform in the administration application: the absence of appropriate reform strategy, the continuing financial constraints insufficient training and experience of

politicians and civil servants to meet the needs and demands reform; Using your too long of old regulations on administrative structures, personnel, functions and pay scales and, last but not least, focus government activity on reform issues econornice disregarding that they can not be solved without reform of public administration.

Public administration reform requires changes of substance in the organization and management, the linkages between goals and procedures between the beneficiaries and offer public services, between legislative and institutional framework designed to achieve an effective local and central public administration.

The current government program for accelerating public administration reform is the modernization and structural and functional adaptation to concrete them bad Benchmarking is a comparative method of analysis used in order to evaluate products, services, processes, practices and performance of an organization.

The aim of benchmarking is to figure out how other organizations measure their performance, structures and what processes are used. Benchmarking is the method by which we can look outside (outside the organization) or from outside to inside the organization to find, enter and raise performance. Mai multe obiective se afla la originea unui demers de benchmarking:

- customer satisfaction;
- improve performance by setting objectives efficient and reliable;
- discover the best methods and practices;
- assess their strengths and weaknesses to act to raise performance.
- conduct to facilitate change.

Benchmarking is a method that consists in looking for the best operational practices in order to adapt or adopt their positive aspects and to move them to your organization to become more efficient. It is therefore to start by knowing you, by seeking to do what is best, by recognizing differences and to profit by proximity to excellent.

Benchmarking studies and processes in their continuity of care as an enterprise or institution achieved performance relative to the best in their fields of activity.

Benchmarking eliminate the random through process analysis and determinants, pointing the way to best practices.



In literature are four types of benchmarking:

- a) internal benchmarking: comparison is the same type of operations in the same organization (between departments, services, offices etc.).
- b) functional benchmarking: comparison between similar functions in the same sector organizations for innovative detection techniques;
- c) generic benchmarking: comparison occurs interested organizations in different sectors of similar work processes or methods;
- d) External benchmarking: comparing communities in our country with similar organizations in other countries (the number of ministries, the number of government agencies, each ministry or agency size expressed in number of officials and technical equipment, etc.). in order to improve the performance of that organization from other organizations model. Benchmarking study supposes four stages: planning, area collect, analyze and adapt.

## 2. BENCHMARKING AID IN THE DEVELOPMENT OF PERFORMANCE IN PUBLIC ADMINISTRATION

Public administration should do more to apply benchmarking to improve quality and performance of services provided by public sector clients.

Benchmarking and best practice orientation is suitable for driving a technology sector, largely, is not governed by market forces. Examples of best practice for setting objectives and serve to create enthusiasm necessary to improve performance. Benchmarking in public sector long-term effects and stimulate lifelong learning in institutions of this kind.

Copying industry benchmarking practices should be avoided. You need to be developed benchmarking methodology and mechanisms of learning, specific sectors, to be applicable to other institutions of public services and non-private.

Services provided by public institutions, such as institutions for education, health, local or central-enter the conditions that influence business development and must be targeted to best practice in terms of efficiency and quality, and satisfaction clients.

Therefore, the public sector must be aware of and encouraged to use benchmarking as a current policy. Should be valued knowledge and existing models in Europe.

Public services and they could benefit from the application of best practices. Benchmarking between the public administration services in the Member States shall permit, in the opinion of the European Union to adopt improved practices in the management of these services.

As a recommendation: To be developed excellent system for rewarding quality public services and to establish a basis for application of benchmarking in the public sector.

The role of indicators in the calibration process is important: delicate at the same time.

On the one hand, it is obvious that any calibration requires the definition of "calibration" and indicators that are. tools and databases for measuring and comparing important, performance. Calibration process must be funded in time, internationally comparable and relevant data should be about that policy. However the definition and: building the indicators used in the calibration exercise are not related directly How to above, public authorities and policies compared to companies rarely pursue many purposes.

There are a whole set of indicators to be considered for sizing the target goals, especially when there is a counterpart among the various goals (eg increased competitiveness, support for domestic industry, social goals and environmental goals), a policy that excels in achieve a goal that may not be the best combination of all goals.

Innovation systems of national, regional or sectoral level, differ in structure and composition. Thus, policies that address the systems that have many goals to achieve. Diversity will be taken, if measured only by a single indicator, synthetic high performance. Instead, comparisons should be taken at the appropriate level of aggregation, which may be at specific industries, scientific disciplines, network business, scientific team, etc.

Even if the indicators are selected carefully, there are problems in finding data that can be compared. The problem is compounded by international comparison that for most of the processes outlined; the development of performance indicators does not need international comparison statistics. This problem should be based on national expertise, ad hoc studies and judging issues that (those) national communities, to assess these processes. In conclusion, the evaluation method or calibration benchmarking involves many tacit knowledge and more communication between the practitioners.

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